
RESERVES COMMITTEE CHARTER

1. GENERAL SCOPE AND AUTHORITY

- (a) The Reserves Committee is a Committee of the Board. Due to current size and stage of development the company doesn't currently have a reserve committee however the duties which would normally be managed by the reserve committee are managed by the full Board. The Charter may be subject to review by the Board at any time.
- (b) The primary purpose of the Reserves Committee is to support and advise the Board in:
 - (i) Reviewing the Company's procedures relating to the disclosure of information with respect to oil and gas activities; and
 - (ii) Meeting with management and the qualified reserves evaluator or auditor to review the reserves data or report of the qualified reserves evaluator or auditor.

2. COMPOSITION

- (a) The Committee shall comprise at least two non-executive Directors, one of whom will be appointed the Committee Chairman and the Chief Operations Officer.
- (b) The Board may appoint additional Directors or Senior Management to the Committee or remove and replace members of the Committee by resolution.

3. SECRETARY

- (a) The Company Secretary or their nominee shall be the Secretary of the Committee and shall attend meetings of the Committee as required.
- (b) The Secretary will be responsible for keeping the minutes of meetings of the Committee and circulating them to Committee members and to the other members of the Board.
- (c) The Secretary shall distribute supporting papers for each meeting of the Committee as far in advance as possible.

4. MEETINGS

- (a) The Committee will meet at least twice year and additionally as circumstances may require.
- (b) Meetings are called by the Secretary as directed by the Board or at the request of the Chairman of the Committee.
- (c) Where deemed appropriate by the Chairman of the Committee, meetings and subsequent approvals may be held or concluded by way of a circular written resolution or conference call.
- (d) A quorum shall comprise any two members of the Committee. In the absence of the Committee Chairman or appointed delegate, the members shall elect one of their number as Chairman.
- (e) Decisions will be based on a majority of votes with the Chairman having a casting vote.
- (f) The Committee may invite executive management team members or other individuals, including external third parties to attend meetings of the Committee, as they consider appropriate.

5. ACCESS

- (a) Members of the Committee have rights of access to the books and records of the Company to enable them to discharge their duties as Committee members, except where the Board determines that such access would be adverse to the Company's interests.
- (b) The Committee may consult independent experts where the Committee considers this necessary to carry out its duties and responsibilities. Any costs incurred as a result of the Committee consulting an independent expert will be borne by the Company.

6. RESPONSIBILITIES

The Committee shall periodically review and consider the Company's independent reserves evaluator or auditor and the Company's procedures for providing information to such evaluator or auditor. In particular, the Committee is to:

- (a) Reviewing the Company's procedures relating to the disclosure of information with respect to oil and gas activities;
- (b) Reviewing the Company's procedures for providing information to the qualified reserves evaluator or auditor who reports on reserves data;
- (c) Meeting with management and the qualified reserves evaluator or auditor to review the reserves data and the report of the qualified reserves

evaluator or auditor and to determine whether any restrictions affect the ability of the qualified reserves evaluator or auditor to report on reserves data without reservation;

- (d) Reviewing and recommending to the Board for approval the filing of the Annual Report on reserves data by the qualified reserves evaluator or auditor;
- (e) Reviewing and recommending to the Board for approval the content and filing of Company Announcements on reserves data by the qualified reserves evaluator or auditor; and
- (f) Assisting the Board in its compliance with legal and regulatory requirements.